REMARKS

In an Office Action mailed on April 1, 2005, claims 1, 4-6, 10, 12 and 13 were rejected under 35 U.S.C. § 102(b) as being anticipated by Russell; claims 2 and 7 were rejected under 35 U.S.C. § 103(a) as being unpatentable over Russell in view of Roth; claims 3, 8, 9, 11, 14 and 15 were objected to as being dependent upon a rejected base claim but were indicated as being allowable if rewritten in independent form; and claims 16-20 were allowed. The §§ 102 and 103 rejections are addressed below.

As amended the shifting tool of independent claim 1 includes a housing, a shifting element, an actuator piston and a compensating piston. The actuator piston is disposed within a first chamber in the housing and is adapted to respond to fluid pressure to cause the shifting element to move and engage a profile of another tool that surrounds the housing. The compensating piston is disposed within a second chamber in the housing. The second chamber is adapted to receive fluid that is displaced by movement of the actuator piston to permit the shifting tool to operate in a sealed volume without venting fluid within the sealed volume to the surface or into the well.

Contrary to the limitations of amended independent claim 1, Russell discloses a well apparatus to regulate an accumulator pressure. The well apparatus of Russell, however, is not a shifting tool, as now more specifically defined in claim 1.

More particularly, Russell' s piston 172 (i.e., the alleged actuator piston of claim 1) is not adapted to respond to fluid pressure to cause a shifting element to move and engage a profile of a tool that surrounds Russell's well apparatus. Furthermore, Russell fails to disclose that the piston 172 displaces fluid that is received by a second chamber. Rather, the alleged second chamber (i.e., the chamber that contains the bladder 71) receives well fluid, as described in lines 47-68 in column 6 of Russell. However, there is no teaching or even a suggestion in Russell that this alleged second chamber receives fluid in response to movement of an actuator piston for purposes of permitting operation of a shifting tool in a sealed volume without venting fluid within the sealed volume to the surface or into the well. Therefore, for at least any of these reasons, Russell fails to anticipate amended independent claim 1.

Claims 2-15 are patentable for at least the reasons that these claims depend from an allowable claim. Thus, for at least the reasons that are set forth above, withdrawal of the §§ 102 and 103 rejections of claims 1-15 is requested.

CONCLUSION

In view of the foregoing, withdrawal of the §§ 102 and 103 rejections and a favorable action in the form of a Notice of Allowance are requested. The Commissioner is authorized to charge any additional fees or credit any overpayment to Deposit Account No. 20-1504 (SHL.0274US).

Date: June 29, 2005

Fred G. Fruner, Jr., Keg. No. 40,779 TROP, PRUNER & HU, P.C.

Respectfully submitted,

8554 KATY FREEWAY SUITE 100

HOUSTON, TEXAS 7/024 713/468-8880 [Phone] 713/468-8883 [Fax]